



Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Financial Statements Audit Report

**Pierce County Fire Protection District
No. 21
(Graham Fire & Rescue)**

For the period January 1, 2013 through December 31, 2013

Published December 31, 2014

Report No. 1013359





Washington State Auditor
Troy Kelley

December 31, 2014

Board of Commissioners
Graham Fire & Rescue
Graham, Washington

Report on Financial Statements

Please find attached our report on the Graham Fire & Rescue's financial statements.

We are issuing this report in order to provide information on the District's financial condition.

Sincerely,

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**Graham Fire & Rescue
Pierce County
January 1, 2013 through December 31, 2013**

Board of Commissioners
Graham Fire & Rescue
Graham, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Graham Fire & Rescue, Pierce County, Washington, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated December 23, 2014.

We issued an unmodified opinion on the fair presentation of the District's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the District using accounting practices prescribed by Washington State statutes and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It

also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

December 23, 2014

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Graham Fire & Rescue Pierce County January 1, 2013 through December 31, 2013

Board of Commissioners
Graham Fire & Rescue
Graham, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Graham Fire & Rescue, Pierce County, Washington, for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's financial statements, as listed on page 11.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the Graham Fire & Rescue has prepared these financial statements to meet the financial reporting requirements of Washington State statutes using accounting practices prescribed the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Graham Fire & Rescue, for the year ended December 31, 2013, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. The effects on the financial statements of the variances between GAAP and the accounting practices the District used, as described in Note 1, although not reasonably determinable, are presumed to be material. As a result, we are required to issue an adverse opinion on whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States

of America, the financial position of the Graham Fire & Rescue, as of December 31, 2013, or the changes in financial position or cash flows for the year then ended, due to the significance of the matter discussed in the above “Basis for Adverse Opinion on U.S. GAAP” paragraph.

Other Matters

Supplementary and Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Liabilities is presented for purposes of additional analysis, as required by the prescribed BARS manual. This schedule is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2014 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That

report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

December 23, 2014

FINANCIAL SECTION

**Graham Fire & Rescue
Pierce County
January 1, 2013 through December 31, 2013**

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2013
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FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2013

BARS Code		Total for All funds*	001 General Fund	201 GO Bond Fund	301 Construction Fund
Beginning Cash and Investments					
30810	Beg Fund Bal-Reserved	374,547	0	374,547	0
30880	Beg Fund Bal-Unreserved	5,926,413	5,175,545	0	750,868
38800/58800	Prior Period Adjustments, net	0	0	0	0
Operating Revenues					
310	Taxes	10,594,003	9,134,126	1,459,877	0
320	Licenses & Permits	0	0	0	0
330	Intergovernmental Revenues	2,280	2,280	0	0
340	Charges for Goods and Services	1,350,732	1,350,732	0	0
350	Fines & Penalties	0	0	0	0
360	Miscellaneous Revenues	44,123	36,512	6,854	757
Total Operating Revenues:		11,991,138	10,523,650	1,466,731	757
Operating Expenditures					
510	General Government	0	0	0	0
520	Public Safety	11,339,315	11,339,315	0	0
598	Intergovernmental Payments	0	0	0	0
Total Operating Expenditures:		11,339,315	11,339,315		
Net Operating Increase (Decrease):		651,823	-815,665	1,466,731	757
Nonoperating Revenues					
370, 380, 395, 398	Other Financing Sources	395	395	0	0
391-393	Debt Proceeds	0	0	0	0
397	Transfers-In	0	0	0	0
Total Nonoperating Revenues:		395	395		
Nonoperating Expenditures					
580, 596, 599	Other Financing Uses	13,740	13,740	0	0
591-593	Debt Service	1,316,197	0	1,316,197	0
594-595	Capital Expenditures	32,805	0	0	32,805
597	Transfers-Out	0	0	0	0
Total Nonoperating Expenditures:		1,362,742	13,740	1,316,197	32,805
Increase (Decrease) in Cash and Investments		-710,524	-829,010	150,534	-32,048
Ending Cash and Investments					
50810	End Fund Bal-Reserved	1,243,901	0	525,081	718,820
50880	End Fund Balance-Unreserved	4,346,535	4,346,535	0	0

The accompanying notes are an integral part of this Statement.

**Pierce County Fire District #21
dba Graham Fire & Rescue**

MCAG No 2566

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fire District reports financial activity using the revenue and expenditure classifications, statements, and schedules contained in the *Cash Basis Budgeting, Accounting and Reporting System (BARS)* manual. This basis of accounting and reporting is another comprehensive basis of accounting (OCBOA) that is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

Pierce County Fire District #21 was incorporated in 1963 and operates under Chapter 52 RCW and other laws of the State of Washington applicable to a fire districts. The District is a general purpose government and provides fire protection, emergency medical services, hazardous materials response, rescue and fire prevention and education services. The District uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

A. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The District's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the District:

GOVERNMENTAL FUND TYPES:

General (Current Expense) Fund

This fund is the primary operating fund of the District. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Debt Service Funds

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs on general long-term debt.

Capital Projects Funds

These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the

accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year(s) budget appropriations as required by state law.

In accordance with state law, the District also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

C. Budgets

The District adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

The appropriated and actual expenditures for the legally adopted budgets were as follow:

Fund/Department	Final Appropriated Amounts	Actual Expenses	Variance
001 - General Fund			
General Fund	14,180,049.00	11,339,875.26	2,840,173.74
Transport Fund		13,173.50	-13,173.50
Reserve Fund	927,824.00	927,824.00	
Interim Fund			
Total 001 - General Fund	15,107,873.00	12,280,872.76	2,827,000.24
201 - GO Bond Fund	1,316,197.19	1,316,197.19	
301 - Construction Fund	40,000.00	32,805.03	7,194.97

Budgeted amounts are authorized to be transferred between (departments within any fund/object classes within departments); however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the District's legislative body.

D. Cash

It is the District's policy to invest all temporary cash surpluses. The amount is included in the cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is prorated to the various funds.

E. Deposits

The District's deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation.

F. Investments See Note 2, *Investments*.

G. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of 1 year. The capital assets of the District are recorded as expenditures when purchased.

H. Compensated Absences

24 hour shift employees of the Fire Fighter's Bargaining Unit may carry over accumulated vacation from year to year up to 288 hours and is payable at the current hourly rate of pay at separation. Sick leave may be accumulated up to 1440 hours. LEOFF II employees who separate or retire from the District after the age of 53 will receive payment for unused sick leave at a rate of \$0.25 (cents) on the dollar which is deposited into their HRA account. Compensatory time may be accumulate up to 96 hours, can be carried from year to year and is cashed out at the current hourly rate of pay if not used by separation of employment. Holiday time cannot be carried over from year to year, but earned, unused time at separation will be paid at the current hourly rate of pay.

24 hour shift employees of the Chief's Bargaining Unit may carry over accumulated vacation from year to year up to an amount equal to their annual accrual rate (maximum of 336 hours) and is payable at the current hourly rate of pay at separation. Sick leave may be accumulated up to 1440 hours. LEOFF II employees who separate or retire from the District after the age of 53 will receive payment for unused sick leave at a rate of \$0.25 (cents) on the dollar which is deposited into their HRA account. Compensatory time may be accumulate up to 96 hours, can be carried from year to year and is cashed out at the current hourly rate of pay if not used by separation of employment. Holiday time cannot be carried over from year to year, but earned, unused time at separation will be paid at the current hourly rate of pay.

40 hour week employees of the Chief's Bargaining Unit may carry over accumulated vacation from year to year up to an amount equal to their annual accrual rate (maximum of 273 hours) and is payable at the current hourly rate of pay at separation. Sick leave may be accumulated up to 1176 hours. LEOFF II employees who separate or retire from the District after the age of 53 will receive payment for unused sick leave at a rate of \$0.25 (cents) on the dollar which is deposited into their HRA account. Compensatory time may be accumulate up to 96 hours, can be carried from year to year and is cashed

out at the current hourly rate of pay if not used by separation of employment. Holiday time cannot be carried over from year to year, but earned, unused time at separation will be paid at the current hourly rate of pay.

40 hour week unrepresented employees may carry over accumulated vacation from year to year up to 240 hours and is payable at the current hourly rate of pay at separation. Compensatory time may be accumulate up to 80 hours, can be carried from year to year and is cashed out at the current hourly rate of pay if not used by separation of employment. Holiday time cannot be carried over from year to year, but earned, unused time at separation will be paid at the current hourly rate of pay.

The Fleet Mechanic on a personal services contract may carry over accumulated vacation from year to year up to 250 hours and is payable at the current hourly rate of pay at separation. Holiday time cannot be carried over from year to year, but earned, unused time at separation will be paid at the current hourly rate of pay.

Chief Officers under personal services agreements may carry over accumulated vacation from year to year up to 288 hours and is payable at the current hourly rate of pay at separation. Sick leave may be accumulated up to 1320 hours. LEOFF II employees who separate or retire from the District after the age of 53 will receive payment for unused sick leave at a rate of \$0.60 (cents) on the dollar which is deposited into their HRA account. Holiday time cannot be carried over from year to year, but earned, unused time at separation will be paid at the current hourly rate of pay.

I. Long-Term Debt See Note 4, *Debt Service Requirements*.

J. Reserved Fund Balance

The reserved fund balances for Fund 201 – GO Bond is \$525,081.44 And Fund 301 – Construction is \$718,820.09. Both funds are the result of the General Obligation Bond approved by voters in 2008. The 201 fund is specifically for the repayment of the GO Bond and the 301 fund are the proceeds from the GO Bond and specifically reserved for capital projects as defined in the Bond measure.

Note 2 - Investments

The District's investments are either insured, registered or held by the County or its agent in the District's name.

Investments are presented at Fair Market Value.

The District's LGIP is liquidated on the last working day of each month and reinvested at the beginning of the next month. There were no investments on December 31, 2013.

Note 3 - Property Tax

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed at the end of each month.

Property tax revenues are recognized when cash is received by District. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The District's regular levy for the year 2013 was \$2.00 per \$1,000 on an assessed valuation of \$4,492,901,209 for a total regular levy of \$8,985,802.41. The District's Excess levy for the General Obligation Bond was \$1,450,000, which is equivalent to \$0.32558 per \$1000 on an assessed valuation of \$4,492,901,209.

Note 4 – Debt Service Requirements

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the District and summarizes the District's debt transactions for year ended December 31, 2013.

The debt service requirements for general obligation bond, including both principle and interest, are as follows:

	<u>General Obligation Debt</u>	<u>Revenue Debt</u>	<u>Other Debt</u>	<u>Total Debt</u>
2013	\$1,315,896.26			\$1,315,896.26
2014	\$1,318,896.26	\$	\$	\$1,318,896.26
2015	\$1,315,296.26			\$1,315,296.26
2016	\$1,316,296.26			\$1,316,296.26
2017	\$1,318,190.00			\$1,318,190.00
2018 – 2020	\$3,948,180.00			\$3,948,180.00
	<hr/>	<hr/>	<hr/>	<hr/>
TOTALS	\$10,532,755.04	<hr/>	<hr/>	\$10,532,755.04

Note 5 - Pension Plans

Substantially all of the District's full-time and qualifying part-time employees participate in PERS II or LEOFF II administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the District's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems
Communications Unit
PO Box 48380
Olympia, WA 98504-8380

Volunteer firefighters are covered under the Firefighters' Relief and Pension fund. This system represents a cost-sharing multiple employer retirement system that was created by the legislature in 1945 under Chapter 41.16 RCW. It provides pension, disability and survivor

benefits. The system is funded through employer contributions of \$90 per year per volunteer member.

Note 6 - Other Disclosures

Pierce County Regional HazMat Team

Pierce County Fire Protection District No. 21 is the lead agency for a Regional HazMat Team. Other members of the team are Pierce County Fire Protection District Nos. 3, 5, 6, & 22. An Interlocal Agreement, signed by the five agencies, sets forth the purpose, program delivery, funding, terms, board composition and authority, qualifications/staffing and service delivery to others. The Agreement was signed by each agency's Board of Fire Commissioners in May 2007. On an annual basis, each agency contributes \$6,000 for equipment purchasing and maintenance. Each agency also pays \$10 per month to PCFPD No. 21 as an administration fee. In 2008, an Agreement for Services was sent out to each fire district in Pierce County. Once signed, this Agreement allows districts to request assistance from the Regional HazMat Team. Cost for response services is based on the Washington State Fire Chief's Response Rates. At the end of 2013, the fund balance was \$77,089.31.

Self Insurance

The District does not contribute to the State Unemployment Security Fund. Any unemployment benefits would be a responsibility of the District.

OPEB

Pierce County Fire District No. 21 has a commitment to pay for post-employment benefits for employees that belong to LEOFF1. These benefits include all medical and dental premiums as well as all medically related expenses not covered by the insurance. Two retirees received benefits during the year and \$ 57,257.50 was paid out for those benefits during the year.

Fund 001 (Transport Fund)

Prior to 2014, this fund was only used to track the changes in beginning and ending balance. An adjustment was made at the end of the year to correct the ending balance. All deposits were accounted for in the General Fund. Starting 2014, 002 fund will be used to track all revenue and interfund transfers will be completed to transfer the cash to the 001- General Fund.

Fund 001 2012 Ending Balance Error

The ending balance of the roll up of all 001 Funds did not include the 004 (Interim Fund) with an ending balance of \$564.96. This additional amount is reflected in the beginning balance of Fund 001 for 2013.

Schedule of Liabilities
For the year ended December 31, 2013

Debt Type	ID. No.	Description	Maturity/Payment Due Date	Beginning Balance January 1, 2013	Additions	Reductions	Ending Balance December 31, 2013
General Obligations							
	251.12	General Obligation Bond - Voted	12/1/2020	8,600,000		925,000	7,675,000
	259.11	Compensated Absences		460,461	98,517		558,978
		Total General Obligations:		9,060,461	98,517	925,000	8,233,978
		Total Liabilities:		9,060,461	98,517	925,000	8,233,978

The accompanying notes to the financial statements are an integral part of this schedule

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
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